

BACKGROUND

On June 6, 2000, the PTO issued a final rejection of claims 3-6 and 16-22 based on 35 U.S.C. § 112, first paragraph, as allegedly "containing subject matter which was not described in the specification in such a way as to reasonably convey to one skilled in the relevant art that the inventor(s), at the time the application was filed, had possession of the claimed invention." The PTO then extended Applicant's representative, Floyd Chapman, a telephonic interview on September 6, 2000, during which specific support for the claims were discussed. Applicant immediately filed a Response to Final Rejection on September 6, 2000, which confirmed, in writing, specific portions of the specification that supported the rejected claims. On September 20, 2000, Examiner indicated in a further telephonic interview that the final rejection of June 6, 2000, would be withdrawn. To preserve Applicant's rights to appeal, Applicant filed a notice of appeal on December 6, 2000. The December 12 Office Action made moot the Notice of Appeal by withdrawing the prior rejection and issuing new rejections. Applicant will now address the new rejections.

REMARKS CONCERNING REJECTIONS

A. Rejections under Section 112

1. Provisional Written Description

With respect to the "Provisional Written Description" on page 18, Examiner Luther explained, during an in-office interview with Applicant's representative on February 9, 2001, that Applicant does not need to respond further to this rejection because Applicant previously provided sufficient evidence to establish that the claims, in their current form, were supported by the specification. Examiner acknowledged this fact in the December 12 Office Action on Page 1 when he stated "the written description rejection would be withdrawn at this point in prosecution since there does not currently appear to be sufficient grounds for maintaining such written description rejection." Accordingly, Applicant will not repeat the arguments and the factual support that were provided in the Response filed September 6, 2000. As a point of clarification, Examiner Luther explained that he added the rejection provisionally only to indicate that if the

claims were amended in a way that significantly changed their meanings, then the written description rejection could be reinstated, if appropriate. It is Applicant's understanding that no written description rejection is being maintained at this time.

2. 35 U.S.C. § 112 ¶ 2 (Indefiniteness)

Examiner rejects claims 3-6 and 16-22 under 35 U.S.C. 112, second paragraph, allegedly "as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention." (December 12 Office Action at 23). Examiner alleges that "it is not understood what/how applicant is defining the term 'bandwidth' with respect to the ordinary use/meaning." Examiner makes similar statements regarding "securitization," "instrument," "resource," "unit," "component" and "convenience premium." During the in-office interview on February 9, 2001, Applicant's representative discussed ways in which to respond to the rejection, and the parties agreed that an appropriate response would discuss the meanings of key phrases (e.g., "bandwidth securitization instrument") and key steps (e.g., "dividing a total bandwidth resource into a plurality of component resource units"). Accordingly, Applicant provides the following clarification for the key terms and key steps:

"Bandwidth"

To one of ordinary skill in the art, "bandwidth" is generally understood as the amount of data that can be sent over a network connection in a given period of time. For example, in a sense most relevant to this application, "bandwidth" may be measured in bits per second ("bps").

"Bandwidth Resource"

To one of ordinary skill in the art, a "bandwidth resource" generally refers to the relevant transmission means (such as a network) that is being used to transmit or transport data, and preferably, digital data. The present application analogizes a "bandwidth resource" to a "pipe" (or more appropriately, a "pipeline"). See Application at 32. Examples of bandwidth resources include telephone lines ("plain old telephone" or "POT"), cables, and fiber optic lines. (Application, p. 32).

“Bandwidth Securitization Instrument”

Pursuant to the specification of the present application (Application, pp. 38-42), a “bandwidth securitization instrument” is an instrument that can be traded in a trading system (such as an electronic market system). In one embodiment of the present invention, an electronic market system treats a “bandwidth securitization instrument” as a commodity, such that the system may set a price for the commodity based upon supply and demand.

In another embodiment of the present invention, a trading system values “bandwidth securitization instrument” based cost-factors, such as the cost for usage of a particular telecommunications resource. (See also original claim 7 that described a specific embodiment of a bandwidth securitization instrument.)

The use of the word “instrument” is intended to convey that a “bandwidth securitization instrument” is evidence that a user is authorized to use a bandwidth resource for transmitting data (in much the same way that a “security instrument” is an instrument that evidences ownership or creditorship).

“Dividing a Total Bandwidth Resource into a Plurality of Component Bandwidth Resource Units”¹

As provided in the present application (Application, p. 38), a “bandwidth resource” may be broken down into discrete, usable component pieces. Hence, the total bandwidth resource may be broken down, or divided, into a bunch of components or “bandwidth resource units” to allow for efficient apportioning of bandwidth to multiple users. The bandwidth resource units may then be valued on a per-unit basis. As would be clear to one of ordinary skill in the art, one way to break down and value a bandwidth resource is to price the bandwidth on a fixed number of bits per second (e.g., kilobits per second, or megabits per second). Using a standardized measurement system will permit efficient operation of a market for bandwidth.

¹ The December 12 Office action misquotes the first recited step of claim 3 as “dividing a total bandwidth resource unit into a plurality of component bandwidth resource units.” Examiner’s mistaken insertion of the word “unit” may account, in part, for the confusion concerning this step.

“Convenience Premium”

As provided in the present application (Application, p. 38), a “bandwidth securitization instrument” may be priced based on an equilibrium between supply and demand. Also, as provided in the present application (Application, p. 40), a “bandwidth securitization instrument” may be priced using a “convenience premium”—which is merely a premium which a supplier charges for the convenience of using a particular bandwidth resource. As can be appreciated by one of ordinary skill in the art, one who controls the price of a particular bandwidth resource may choose to set a price which is in excess of the equilibrium price as determined by supply and demand. The increase over the equilibrium price is the convenience premium.

“Receiving at a Computer System Instructions To Transfer the Bandwidth Securitization Instrument from a First Party to a Second Party.”

Claim 4 is directed to an electronic or computerized method of exchanging a bandwidth securitization instrument. As provided in the present application (Application, pp. 43-45), a computer system may be used in the accounting and clearing of bandwidth securitization instruments. As contemplated by the application, physically exchanging certificates between individuals is complicated and unnecessary because the electronic exchange system can create and manage accounts for each party. As described in the application, client-side software may value the rights relative to a particular user’s needs, which software can then be used by any party trading rights. In effect, the computer may receive instructions (commands generated by software) relative to a desired transfer, and then the computer may effectuate the transfer of a bandwidth securitization instrument from a first party to a second party.

In a preferred embodiment, a computer may also be used to generate a certificate for a bandwidth securitization instrument, which certificate can be configured to include a cryptographic time stamped (Application, pp. 43-44). Such certificates can then be used to place temporal limitations on the use of the bandwidth securitization instruments as described in the application (see, e.g., Application, p. 44).

3. Enablement

Examiner rejects claims 3-6 and 16-22 under 35 U.S.C. 112, first paragraph, allegedly “as containing subject matter which was not described in the specification in such a way as to enable

one skilled in the art to which it pertains, or with which it is most nearly connected, to make and/or use the invention.” More particularly, Examiner asserts that “It appears that the ordinary artisan would not have understood what was being claimed (i.e. it appears that the specification was written so far above the level of skill of the ordinary artisan, absent working examples, explanation of how bits would be manipulated, received, transmitted, transferred, in a working example, would have required undue experimentation.”

From the discussion relating to the enablement rejection, it appears that the Examiner has made an enablement rejection, in part, because he may not have fully understood the terms as outlined and discussed in Section A.2 above (“35 U.S.C. § 112 ¶ 2/ Indefiniteness”). For the reasons outlined above, Applicant submits that one of ordinary skill in the relevant art would have understood what was being claimed, and therefore, the enablement rejection should be withdrawn.

To the extent that the Examiner is suggesting that an one of ordinary skill in the art would not know “how bits would be manipulated, received, transmitted, [and/or] transferred,” Applicant submits that this assertion is simply not relevant to the claims at issue. Claim 3, for example, is directed to a computerized method of managing a bandwidth securitization instrument. Claim 4 is directed to a computerized method of exchanging a bandwidth securitization instrument. As clarified by the discussion above in Section A.2., the scope of the claims do not require undue experimentation---and certain not undue experimentation relating to how bits are manipulated, received and transmitted. Moreover, one of ordinary skill in the art would appreciate digital signal processing, and therefore, have an adequate understanding of how bits are manipulated, received and transmitted.

As aptly quoted by the Examiner, “The test of enablement is not whether any experimentation is necessary, but whether, if experimentation is necessary, it is undue.” December 12 Office Action at 5. Applicant submits that the claims at issue do not require experimentation—much less “undue” experimentation. For example, there is no test, guidelines, or other functional requirements which must be met by claims 3, 4, 5 or 6, (the independent claims) and therefore, Applicant requests that this rejection be withdrawn as inapplicable.

B. Provisional Restriction

With respect to the "Provisional Restriction" on page 25 of the December 12 Office Action, Examiner Luther explained in an interview with Applicant's representative on February 9, 2000, that Applicant does not need to respond to this rejection. Examiner Luther explained that he added the rejection provisionally only to indicate that, if the claims were amended in a way that significantly changed their meanings, then a restriction requirement may issue, if appropriate. It is Applicant's understanding that no restriction requirement is being maintained at this time.

CONCLUSION

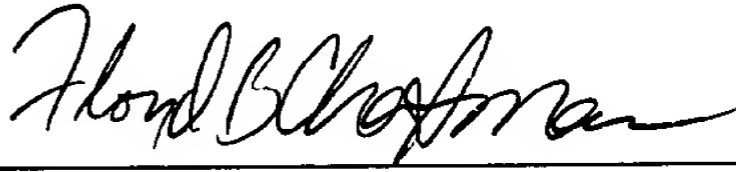
Applicant maintains that this application is in condition for allowance, and such disposition is earnestly solicited. If the Examiner believes that an interview with Applicant's representative, either by telephone or in person, would further prosecution of this application, we would welcome the opportunity for such an interview.

Respectfully submitted,

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